

insurance laws of North Carolina and for regulating the licensing of insurance producers, in accordance with Chapter 58 of the North Carolina General Statutes.

3. Respondent currently holds a nonresident insurance producer license with lines of authority in Accident and Health or Sickness, Life, Medicare Supplement and Long Term Care. Respondent's North Carolina license was first active on or about October 25, 2020. *See* Pet'r Ex. 3 and 4.

4. Matthew Reck, Complaint Analyst with Agent Services, testified that this matter came to his attention through a "PIC alert," which is an automatic notification system through the NAIC ("National Association of Insurance Commissioners"), regarding administrative actions that Respondent received in Louisiana, Utah and Oregon. *See* Pet'r Ex. 5.

5. On or about March 24, 2023, the Louisiana Department of Insurance revoked Respondent's Louisiana Insurance Producer license and issued Respondent a fine in the amount of \$5,000. *See* Pet'r Ex. 7.

6. On or about April 6, 2023, the Utah Insurance Department revoked Respondent's individual nonresident producer license due to Respondent's failure to report the administrative actions from the State of Louisiana. *See* Pet'r Ex. 8.

7. On or about July 6, 2023, the State of Oregon revoked Respondent's nonresident insurance producer license due to violations of Oregon laws. *See* Pet'r Ex. 9.

8. Mr. Reck testified that a licensee may report an administrative action against the licensee by uploading a copy of the administrative action to the NIPR Attachment Warehouse or reporting the administrative action directly to NCDOI. A screenshot of the NIPR Attachment Warehouse was introduced into evidence. The screenshot indicated that Respondent did not report the negative administrative actions from the States of Louisiana, Utah and Oregon to the NIPR Attachment Warehouse. *See* Pet'r Ex. 6.

9. On March 9, 2023, March 20, 2023 and March 31, 2023, Mr. Reck contacted Respondent at Respondent's e-mail addresses of: darnell@hayesbenefits.com and darnellhayes4@gmail.com, which are e-mails on record with NCDOI, and sent written correspondence via US Mail to Respondent's business and residence at 6 Kingswood Drive, Lewisberry, PA 17339-8854. *See* Pet'r Ex. 4, 10-12 and 14.

10. On March 31, 2023, Mr. Reck requested that the Respondent appear for an informal conference to explain the negative actions from the States of Louisiana, Utah and Oregon. *See* Pet'r Ex. 5, 78 - 9, 12, 13 and 14.

11. An informal conference was scheduled for the Respondent on April 28, 2023 at 11:30 a.m. NCDOI contacted Respondent at the telephone number on record for Respondent at 717-675-8806. *See* Pet'r. Ex. 4, 13 and 14.

12. On April 28, 2023, during the scheduled conference, NCDOI contacted Respondent two times at 717-675-8806; however, Respondent did not answer the call from NCDOI to explain the adverse actions from the RIRS report. *See* Pet'r Ex. 4-5, and 12- 14.

13. Testimony and documentary evidence admitted at the hearing show that Respondent never provided copies of acceptable notice of the Louisiana, Utah and Oregon negative administrative actions to NCDOI. *See* Pet'r Ex. 6 and 14.

14. Respondent did not fax, USPS mail or e-mail notice(s) of the adverse administrative actions from the States of Louisiana, Utah and Oregon to NCDOI. *See* Pet'r Ex. 6 and 14.

15. Petitioner request that Respondent's licenses be revoked pursuant to N.C. Gen. Stat. §§ 58-33-32(k), 58-33-46(a)(2) and 58-33-46(a)(9).

CONCLUSIONS OF LAW

1. This matter is properly before the Commissioner, and the Commissioner has jurisdiction over the parties and the subject matter pursuant to Chapter 58 of the North Carolina General Statutes.

2. The Notice of Administrative Hearing was properly served on Respondent pursuant to N.C. Gen. Stat. § 58-2-69(b) and Rule 4 of the North Carolina Rules of Civil Procedure.

3. N.C. Gen. Stat. § 58-33-32(k) requires an insurance producer to report to the Commissioner any administrative action taken against the producer in another state or by another governmental agency in this State within thirty (30) days after the final disposition of the matter.

4. Respondent was required to report the Louisiana (effective April 3, 2023), Utah (effective April 21, 2023) and Oregon (effective July 6, 2023) administrative actions within thirty (30) days of the effective dates of the actions pursuant to N.C. Gen. Stat. § 58-33-32(k). *See* Pet'r Ex. 5, 7, 8 and 9.

5. Respondent's failure to report and provide copies of adverse notices for the administrative actions from the States of Louisiana, Utah and Oregon within thirty (30) days of the effective dates of the actions are violations of N.C. Gen. Stat. §

58-33-32(k).

6. N.C. Gen. Stat. § 58-33-46(a)(2) allows the Commissioner to place on probation, suspend, revoke, or refuse to renew any license issued under this Article for a licensee violating any insurance law of this or any other state, violating any administrative rule, subpoena, or order of the Commissioner or of another state's insurance regulator or violating any rule of FINRA.

7. N.C. Gen. Stat. § 58-33-46(a)(9) provides that NCDOI may place on probation, suspend, revoke or refuse to renew a license if a licensee has an insurance producer license or its equivalent denied, suspended or revoked in any other jurisdiction.

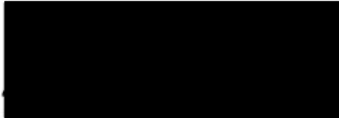
8. Respondent did not comply with the insurance laws in the States of Louisiana, Utah and Oregon and incurred a negative administrative action in those aforementioned states. Pursuant to Respondent's adverse actions in the States of Louisiana, Utah and Oregon, NCDOI may revoke Respondent's North Carolina insurance producer license.

9. Respondent's violations of N.C. Gen. Stat. § 58-33-32(k), N.C. Gen. Stat. § 58-33-46(a)(2) and N.C. Gen. Stat. § 58-33-46(a)(9) provide the statutory authority for revoking Respondent's North Carolina insurance producer license.

ORDER

Based upon the foregoing Findings of Fact and Conclusions of Law, it is ORDERED that Respondent's nonresident producer license be revoked effective as of the date of the signing of this Order.

This 26th day of March, 2024.


Terence D. Friedman
Hearing Officer
N.C. Department of Insurance

APPEAL RIGHTS

This is a Final Agency Decision issued under the authority of N.C. Gen. Stat. § 150B, Article 3A.

Under the provisions of N.C. Gen. Stat. § 150B-45, any party wishing to appeal a final decision of the North Carolina Department of Insurance must file a Petition for Judicial Review in the Superior Court of the County where the person aggrieved by the administrative decision resides, or in the case of a person residing outside the State, the county where the contested case which resulted in the final decision was filed. The appealing party must file the petition within 30 days after being served with a written copy of the Order and Final Agency Decision. In conformity with the 11 NCAC 1.0413 and N.C.G.S. § 1A-1, Rule 5, this Order and Final Agency Decision was served on the parties on the date it was placed in the mail as indicated by the date on the Certificate of Service attached to this Order and Final Agency Decision. N.C. Gen. Stat. § 150B-46 describes the contents of the Petition and requires service of the Petition on all parties. The mailing address to be used for service on the Department of Insurance is: Amy Funderburk, General Counsel, 1201 Mail Service Center, Raleigh, NC 27699-1201.

CERTIFICATE OF SERVICE

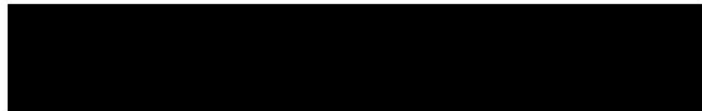
I HEREBY CERTIFY that I have this day served the foregoing **ORDER** and **FINAL AGENCY DECISION** by mailing a copy of the same via certified U.S. Mail, return receipt requested; and via first class U.S. Mail to the licensee at the address provided to the Commissioner pursuant to N.C. Gen. Stat. § 58-2-69(b); and via State Courier to Attorney for Petitioner addressed as follows:

Darnell Hayes
6 Kingswood Drive
Lewisberry, PA 17339-8854
(Respondent)

Certified Mail Tracking Number: 7020 0640 0000 3185 5230

Dilcy Burton
Assistant Attorney General
N.C. Department of Justice
Insurance Section
9001 Mail Service Center
Raleigh, NC 27699-9001

This the 28th day of March, 2024.



Kimberly W. Pearce
Paralegal III
N.C. Department of Insurance
1201 Mail Service Center
Raleigh, NC 27699-1201